

EXECUTIVE ORDER S-12-04

WHEREAS, a robust electricity infrastructure is essential to California's prosperity; and

WHEREAS, the California Independent System Operator, a not-for-profit corporation, is responsible for managing California's electrical power grid; and

WHEREAS, the California Energy Commission in consultation with the California Independent System Operator has determined that high temperatures combined with increasing local demand and localized transmission constraints can result in localized shortages of electricity; and

WHEREAS, during periods of peak demand, depending upon the amount of reserve generation available to the California electrical grid, the California Independent System Operator may declare an electrical emergency in progressive stages; and

WHEREAS, during periods of critical peak demand or other times of strain, even a small reduction in the amount of power needed can greatly increase the stability of the electrical grid; and

WHEREAS, the ability of consumers to reduce their energy usage at times when overall energy usage is placing strains on the state's electrical system can improve the stability of the grid, reduce the cost of electricity, and result in significant savings; and

WHEREAS, the California Power Authority, the California Public Utilities Commission, the California Independent System Operator and the investor-owned and municipal utilities in California have developed demand response programs for consumers to reduce their usage at critical times to ensure the stability of the electricity system; and

WHEREAS, participation in one of these demand response programs can result in significant savings for consumers who participate.

NOW, THEREFORE, I, ANROLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power vested in me by the Constitution and statutes of the State of California, do hereby issue this order effective immediately:

1. The State and Consumer Services Agency with the support of the Department of General Services shall work with all state agencies, departments, boards and commissions ("state agencies") under the authority of the Governor to institute energy conservation measures that will reduce energy consumption during stage I electrical emergencies in advance of private actions that occur in stage II and stage III electrical emergencies.
2. State agencies, under the leadership of the State and Consumer Services Agency shall coordinate response efforts for any future electrical emergencies, monitor the effectiveness of responses and develop training programs for state facility managers.
3. The State and Consumer Services Agency with the support of the Department of General Services and the Office of Emergency Services shall develop and implement a comprehensive communications strategy that shall ensure critical information regarding any energy emergency accurately and quickly flows from the electric utilities to state agencies of the state government and their facility managers.
4. Under the direction of the State and Consumer Services Agency with the support of the Department of General Services, all state agencies shall work with electric utilities to coordinate their response to electrical emergencies including, but not limited to, participation in utility-based demand response programs.
5. State agencies shall review and assess energy conservation measures currently in place in any state operated facility and pursue the extension of those measures to all facilities where energy conservation can be achieved in a cost

effective manner and to participate in demand response programs offered by their electric utilities and others, where appropriate.

6. Other entities of state government not under the Governor's direct executive authority, including constitutional officers, the legislative and judicial branches, and the University of California, California State University, and California Community Colleges are requested to actively participate in this effort.
7. Local governments are encouraged to take steps to reduce their energy usage during critical peak periods and to participate, where appropriate, in the demand response programs offered by their electric utilities and others.

This order is not intended to, and does not create any right or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its departments, agencies, or other entities, its officers or employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 27th day of July 2004.

ARNOLD SCHWARZENEGGER
Governor of California

ATTEST:

KEVIN SHELLEY
Secretary of State